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ORIGINAL

November 26, 1997

Certified Mail - Return Receipt Requested

Director Universal Service Programs
Universal Service Administrative Company
100 South Jefferson Road
Whippany, New Jersey 07981

RE: Administrative Requirements for Designated Eligible Carriers

FCC / CC Docket 96-45 /
Universal Service Order

FCC - Public Notice DA97-1892
Administrative Requirements for Designated Eligible Carriers

Attachments: Order Granting Eligible Telecommunications Carrier Status
Attachment A - List of Eligible Carriers
Docket No. 7960-U
Georgia Public Service Commission

Dear Director:

In response to the October 27, 1997 letter from the Universal Service Administrative Company ("USAC"), and pursuant to the requirements established by the Federal Communications Commission in its May 7, 1997 Report and Order in CC Docket No. 96-45 and the September 29, 1997 Public Notice, DA97-1892, the Georgia Telephone Association ("GTA"), on behalf of its member companies, attaches a true and correct copy of the "Order Granting Eligible Telecommunications Carrier Status Petition" ("ETC Order") issued by the Georgia Public Service Commission ("Georgia Commission").

In the ETC Order, the Georgia Commission designates each GTA member company as the Eligible Telecommunications Carrier ("ETC") within its incumbent Local Exchange Carrier ("LEC") service area, with certain waivers as described therein. The GTA member companies that have been designated as an ETC by the Georgia Commission are as follows:

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Director Universal Service Programs

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1. Accucomm Telecommunications, Inc.
2. ALLTEL Georgia, Inc.
 - ALLTEL Georgia Communications Corp. and Its Wholly Owned subsidiary Georgia ALLTEL Communications Co.
 - ALLTEL Georgia, Inc.
 - Georgia ALLTEL Telecom, Inc. and Its Wholly Owned subsidiary Georgia ALLTELCom Co.
3. Alma Telephone Company
4. Blue Ridge Telephone Company/TDS Telecom
5. Brantley Telephone Company
6. Bulloch Telephone Cooperative
7. Camden Telephone Company/TDS Telecom
8. Chickamauga Telephone Company
9. Citizens Telephone Company
10. Coastal Utilities, Inc.
11. ComSouth Telecommunications, Inc.
12. Darien Telephone Company
13. Ellijay Telephone Company
14. Frontier Communications of Fairmount
15. Frontier Communications of Georgia
16. Georgia Telephone Corporation
17. Glenwood Telephone Company
18. Hart Telephone Company
19. Interstate Telephone Company
20. Nelson-Ball Ground Telephone Company/TDS Telecom
21. Pembroke Telephone Company
22. Pineland Telephone Cooperative
23. Plant Telephone Company
24. Planters Telephone Cooperative, Inc.
25. Progressive Rural Telephone Cooperative
26. Public Service Telephone Company
27. Quincy Telephone Company/TDS Telecom
28. Ringgold Telephone Company
29. St. Joseph Telephone & Telegraph Company
30. Standard Telephone Company
31. Trenton Telephone Company
32. Waverly Hall Telephone Company
33. Wilkes Telephone & Electric Company

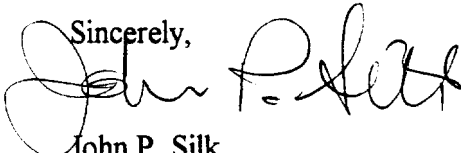
Director of Universal Service Programs

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In light of the Georgia Commission's finding that each GTA member company is a "rural telephone company" (ETC Order at 3), the ETC service area for each of the GTA member companies is its respective "study area." See 47 C.F.R. Section 54.207(b). In addition, since each GTA member company is an incumbent LEC, the requirements of 47 C.F.R. Section 54.307(b) do not apply. GTA notes, however, that the GTA member companies, as incumbent LECs, previously provided the working loops as of year-end 1996 as part of the requirements associated with the annual Universal Service Fund submission, or as part of the on-going average schedule administration process.

Should you have any questions or require additional information, please feel free to contact the undersigned at (404) 321-5368.

Sincerely,

John P. Silk
Executive Vice President
Georgia Telephone Association

/je

cc: Office of the Secretary (Hand Delivered)
CC Docket No. 96-45
Federal Communications Commission
Room 222
1919 M Street, N. W.
Washington, D. C. 20554

Ms. Sheryl Todd (Hand Delivered)
Federal Communications Commission
Universal Service Branch
CC Docket No. 96-45
8th Floor
2100 M Street, N. W.
Washington, D. C. 20554



COMMISSIONERS:

STAN WISE, CHAIRMAN
DAVID N. BAKER
ROBERT B. (BOBBY) BAKER
MAC BARBER
BOB DURDEN

DEBORAH K. FLANNAGAN
EXECUTIVE DIRECTOR
TERRI M. LYNDALL
EXECUTIVE SECRETARY

Georgia Public Service Commission

244 WASHINGTON STREET, S.W.
ATLANTA, GEORGIA 30334-5701
(404) 656-4501 OR 1 (800) 282-5813

RECEIVED

Docket No. 7960-U

IN RE: Petition of the Member Companies of the Georgia Telephone
Association for Designation as Eligible Telecommunications Carriers

EXECUTIVE SECRETARY
R.S.2.

ORDER GRANTING ELIGIBLE TELECOMMUNICATIONS CARRIER STATUS PETITION

The Commission issues this Order to grant Eligible Telecommunications Carrier ("ETC") status to each member of the GTA, identified in Attachment A, hereto, holding a certificate of public convenience and necessity and serving fewer than two million access lines within Georgia, and considered a "rural telephone company" under the Telecommunications Act of 1996 ("1996 Act"). GTA filed on August 7, 1997, a Petition in which GTA sought designation of each of the 33 GTA member companies as the ETC within their respective incumbent local exchange carrier ("LEC") service areas. The Petition was submitted pursuant to Section 214(e) of the 1996 Act, and Sections 54.201-207 of the Rules of the Federal Communications Commission ("FCC"). Considering all the facts and the relevant statutes, the Commission makes the following findings of fact and conclusion of law:

BACKGROUND

The efforts of the FCC and Federal-State Joint Board on Universal Service ("Joint Board") culminated in May 1997 with the adoption of the FCC's Universal Service Order. Among other items, the Universal Service Order prescribed a new set of universal service rules designed, in part, to yield approximately the same level of cost recovery for eligible LECs as that received today. Consistent with the requirements of the 1996 Act, the FCC transferred to the new reconstituted universal service fund the cost recovery previously reflected through high loop cost recovery support plan (see 47 C.F.R. Part 36, Subpart F - Universal Service Fund), interstate cost recovery of central office switching equipment owned by smaller LECs (see 47 C.F.R. §§ 36.125 and 54.301), and Long Term Support (see 47 C.F.R. § 54.303). Beginning January 1, 1998, a LEC which currently is receiving cost recovery from these mechanisms will only be qualified to receive such universal service support if it has been designated by a state regulatory commission as an ETC. 47 C.F.R. § 54.201(a)(1).

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DOCKET # 18606

To be an ETC, a LEC is required to offer, through its own facilities or a combination of its own facilities and the resale of another carrier's service, and to advertise the availability of the following services: voice grade access to the public switched network; access to free-of-charge "local usage," defined as an amount of minutes of use of exchange services; dual tone multi-frequency signaling or its functional equivalent; single-party signaling or its functional equivalent; single-party services or its functional equivalent; access to emergency services; access to operator services; access to interexchange service; access to directory assistance; and toll limitation services for qualifying low-income consumers. 47 C.F.R. § 54.101(a)(1).

DISCUSSION

The GTA member companies provide local exchange and exchange access services in predominantly rural areas of Georgia. In their respective incumbent LEC service areas, the GTA member companies effectively provide ubiquitous telecommunications services to all that request service. The GTA member companies serve largely rural areas within the State of Georgia, and will consequently be affected by new Federal Universal Service Fund Mechanisms adopted earlier this year. Accordingly, in order to ensure the provision of the universal service in Georgia, the Commission grants the Petition of the member companies of the GTA, and provides certain of the member companies with waivers, as discussed below.

Absent Commission action designating the GTA member companies as ETCs, the continuation of uninterrupted interstate cost recovery support to these companies will end as of January 1, 1998. Moreover, absent Commission action, the public policy goal of assuring that the GTA member companies' subscribers continue to receive the benefits of reasonable basic rates and quality telecommunications services can be placed in jeopardy. Further, pressure to seek recovery from the Georgia Universal Access Fund could result as any current interstate cost recovery could, effectively, shift to the intrastate jurisdiction if interstate cost recovery is reduced.

With respect to the service provision requirements, all of the GTA member companies provide their services utilizing their own facilities-based networks or the resale of other carriers' services. Regarding the requirement that ETCs advertise the availability of the list of universal services, the GTA member companies, as the current incumbent LECs, utilize standard subscriber notification and public notice procedures that satisfy this requirement without further action. The GTA member companies currently provide customer notification and marketing of their services consistent with the intended scope of the advertising requirement. Accordingly, we find that the advertising obligation required by Section 214(e)(1) is currently being met by the member companies, and that no supplemental action by the Commission is required at this time.

With respect to the service offering requirements, all of the member companies of the GTA offer the services designated for support as listed in § 54.101(a), with the exception of 911/enhanced 911 ("E911") and one aspect of toll limitation service, as discussed below. For these exceptions, the FCC's rules specifically allow that LECs can be granted additional time to provide these supported services. 47 C.F.R. § 54.101(c).

An ETC must offer access to 911 or E911 only "to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems." 47 C.F.R. § 54.101(a)(5). Therefore, any special provision allowing additional time to upgrade networks related to access to 911/E911 services need only be granted where a local government has implemented 911/E911 but the LEC that serves that local area is not yet capable of providing 911/E911 access to callers. Accordingly, the Commission grants additional time on an "as-needed" basis. We note that GTA member companies have participated in the provision of the infrastructure necessary to facilitate 911 and E911 service in every instance where a local government has initiated the actions under state statute required for the implementation of these emergency services. GTA has indicated that its member companies continue to stand ready to work with their local governments to ensure the availability of these services. Based on these facts and representations, we find that circumstances are present to grant a waiver of the FCC's rules in the very limited circumstances where such waivers may be needed to permit a GTA member company the network upgrades necessary to provide access to 911/E911. This waiver will be put in place until such time as the local governments implement a 911/E911 system.

We also note that the FCC has included certain toll limitations within the services an ETC must provide, and we concur that member companies of the GTA as well as others nationally, may be incapable of providing this service as the FCC has defined it. Toll control is defined as "a service provided by carriers that allows consumers to specify a certain amount of toll usage that may be included on their telecommunications channel per month or per billing cycle." 47 C.F.R. § 54.400(a)(3). The ability to offer this aspect of toll limitation service would require network upgrades for each company that would require, on a real-time basis, not only a calculation of the amount of toll, but also the identity of the customer's interexchange carrier, the rate plan to which the customer subscribes, the calculation of dollar amounts of toll usage, and the termination of toll service to the customer, possibly even during a toll call. Such capability does not exist. Accordingly, we find that exceptional circumstances are present that justify a waiver of all requirements specific to the offering of toll control in the interim, but reserve the right to reconsider this waiver at such time as it is demonstrated that the capability is technically and economically feasible. Such action should ensure that the availability of interstate universal cost recovery support for the GTA member companies is not in jeopardy.

CONCLUSION

Having found that each of the GTA members is a rural telephone company, as defined by the 1996 Act (see 47 U.S.C. § 153(a)(47), and having found that the GTA member companies satisfy the conditions necessary for designation as ETCs and having shown good cause why the public and universal service interests of the telecommunications users of the State of Georgia will be served, the Petition of the GTA is granted.

WHEREFORE, it is

ORDERED, that each member company of the GTA is designated as the ETC within its incumbent LEC service area;

ORDERED FURTHER, that the advertising obligation required by Section 214(e)(1) is currently being met by the member companies, and that no supplemental action by the Commission is required at this time;

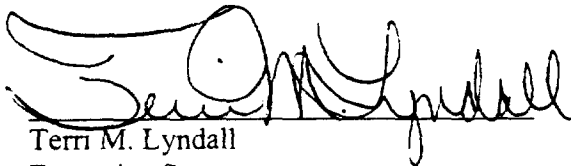
ORDERED FURTHER, that waiver of the 911 and E911 requirements for the affected companies serving areas in which the appropriate authority does not have 911 or E911 systems in place is granted as provided for herein;

ORDERED FURTHER, that waiver of the toll control requirements is granted as provided for herein;

ORDERED FURTHER, that a motion of reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission;

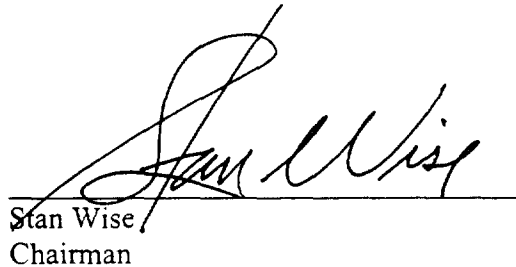
ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order or Orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on August 19, 1997.



Terri M. Lyndall
Executive Secretary

October 2, 1997
DATE



Stan Wise
Chairman

10-2-97
DATE

**PETITION OF MEMBER COMPANIES OF THE GEORGIA TELEPHONE
ASSOCIATION FOR DESIGNATION AS ELIGIBLE TELECOMMUNICATIONS
CARRIERS**

ATTACHMENT A

MEMBER COMPANIES - GEORGIA TELEPHONE ASSOCIATION

1. Accucomm Telecommunications, Inc.
2. ALLTEL Georgia, Inc.
 - ALLTEL Georgia Communications Corp. and Its Wholly Owned subsidiary Georgia ALLTEL Communications Co.
 - ALLTEL Georgia, Inc.
 - Georgia ALLTEL Telecom, Inc. and Its Wholly Owned subsidiary Georgia ALLTELCom Co.
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13. Ellijay Telephone Company
14. Frontier Communications of Fairmount
15. Frontier Communications of Georgia
16. Georgia Telephone Corporation
17. Glenwood Telephone Company
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21. Pembroke Telephone Company
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24. Planters Telephone Company
25. Progressive Rural Telephone Cooperative
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